

ARIZONA STATE BOARD OF ACCOUNTANCY

OPEN SESSION MINUTES

June 11, 2007

Members of the Arizona State Board of Accountancy held a meeting at 8:20 a.m. on Monday, June 11, 2007 at the Accountancy Board Office in Suite 165, 100 N. 15th Avenue, Phoenix, Arizona. An Executive Session was held from 8:39 a.m. to 9:53 a.m. and from 10:50 a.m. to 11:44 a.m.

BOARD MEMBERS:

Earl R. Shivers, CPA	President
Marianne E. DeVries, CPA	Treasurer
Patrick J. Ramirez	Secretary
Donald R. Bays, CPA	Member
☉ Debbi Fitzgerald, CPA	Member
Samuel L. Fogleman, CPA	Member
James E. May.....	Member

☉ Left at 11:40 a.m.

OTHERS PRESENT:

Valerie M. Elliott	Executive Director
Jim Dubé	Deputy Director
Seth T. Hargraves, Esq.	Assistant Attorney General
Ryan P. Edmonson.....	Programs & Projects Specialist II
Yolanda M. Barajas	Administrative Assistant III
Elena N. Frausto.....	Administrative Assistant III

GUESTS PARTICIPATING:

Adela Jimenez, CPA.....	ASCPA, Director of Finance and Administration
D. Jay Ryan, Esq.....	Attorney
Paul Fann, CPA.....	Registrant
Russ Alexander Levine.....	Applicant

The meeting was called to order at 8:20 a.m. by Earl R. Shivers, President. The following order of business was then considered:

OPEN SESSION

CALL TO THE PUBLIC

No one wished to address the Board.

MINUTES

May 7, 2007 Board Meeting

A motion was made by Debbi Fitzgerald, seconded by Donald R. Bays and passed to approve the Open Session Minutes from the May 7, 2007 Board meeting.

A motion was made by James E. May, seconded by Debbi Fitzgerald and passed to approve the Executive Session Minutes from the May 7, 2007 Board meeting.

May 9, 2007 Telephonic Board Meeting

A motion was made by Debbi Fitzgerald, seconded by Donald R. Bays and passed to approve the Open Session Minutes from the May 9, 2007 telephonic Board meeting.

DECLARATION OF CONFLICTS OF INTEREST

Debbi Fitzgerald, CPA declared conflicts on DKAdvisors Irvine LLP and Splaver & Splaver CPA, PLC, of the consent agenda.

Samuel L. Fogleman, CPA declared a conflict on Tina Hotop – Missouri, of the consent agenda.

EXECUTIVE DIRECTOR'S REPORT

Valerie M. Elliott, Executive Director, gave an update to the Board on the budget, performance measurements and agency operations.

EXECUTIVE SESSION

A motion was made by Marianne E. DeVries, seconded by Samuel L. Fogleman and passed to go into Executive Session at 8:39 a.m. to seek legal advice and review confidential material pursuant to A.R.S. § 38-431.03(A)(2)(3) and (4).

After consideration in Executive Session, the Board reconvened in Open Session at 9:53 a.m.

COMMITTEE RECOMMENDATIONS – COMPLAINT/INITIAL ANALYSIS FILES

File No. 2007.078

A motion was made by Patrick J. Ramirez, seconded by Marianne E. DeVries and passed to accept the Tax Practice Committee's recommendation to open an investigation file.

File No. 2007.095

A motion was made by Patrick J. Ramirez, seconded by Marianne E. DeVries and passed to accept the Accounting and Auditing Standards Committee's recommendation to close the complaint file, no violations of professional standards.

File No. 2007.102

A motion was made by Patrick J. Ramirez, seconded by Marianne E. DeVries and passed to accept the Tax Practice Committee's recommendation to close the complaint file, no violations of professional standards.

File No. 2007.103

A motion was made by Patrick J. Ramirez, seconded by Marianne E. DeVries and passed to accept the Tax Practice Committee's recommendation to close the complaint file, no violations of professional standards.

File No. 2007.110

A motion was made by Patrick J. Ramirez, seconded by Marianne E. DeVries and passed to accept the Accounting and Auditing Standards Committee's recommendation to open an investigation file on the engagement partner.

COMMITTEE RECOMMENDATIONS – INVESTIGATION FILES

File No. 2006.076

A motion was made by Patrick J. Ramirez, seconded by Marianne E. DeVries and passed to accept the Accounting and Auditing Standards Committee's recommendation to offer a Decision & Order (By Consent) to include up to 12 months of probation; pre-issuance peer review on the next two engagements of the registrant's highest level of service, including financial statements and work papers.

Donald R. Bays declared a conflict and did not vote.

File No. 2006.082

A motion was made by Patrick J. Ramirez, seconded by Marianne E. DeVries and passed to accept the Tax Practice Committee's recommendation to issue an Administrative Letter of Concern, as amended in executive session.

File No. 2007.014

A motion was made by Patrick J. Ramirez, seconded by Marianne E. DeVries and passed to accept the Tax Practice Committee's recommendation to issue an Administrative Letter of Concern, as amended in executive session.

File No. 2007.076

A motion was made by Patrick J. Ramirez, seconded by Marianne E. DeVries and passed to accept the Tax Practice Committee's recommendation to close the complaint file.

COMMITTEE RECOMMENDATIONS - PEER REVIEW

File No. 2007.113

A motion was made by Patrick J. Ramirez, seconded by Marianne E. DeVries and passed to accept the Peer Review Oversight Advisory Committee's recommendation to issue an Administrative Letter of Concern.

INITIAL ANALYSIS

Self Report

- i. A motion was made by Patrick J. Ramirez, seconded by Marianne E. DeVries and passed to open an investigation file and offer a Decree of Censure.
- ii. No action taken
- iii. A motion was made by Patrick J. Ramirez, seconded by Marianne E. DeVries and passed to open an investigation file and forward the file to the Tax Practice Committee for further investigation.

Donald R. Bays declared a conflict and did not vote.

Potential Notice of Violation

- i. A motion was made by Patrick J. Ramirez, seconded by Marianne E. DeVries and passed to open a Notice of Violation for the unlawful use of the CPA Designation file.

Donald R. Bays declared a conflict and did not vote.

NOTICES OF UNLAWFUL USE OF THE CPA DESIGNATION

File No. 2007.104

A motion was made by Patrick J. Ramirez, seconded by Marianne E. DeVries and passed to accept the response and close the file.

File No. 2007.099

A motion was made by Patrick J. Ramirez, seconded by Marianne E. DeVries and passed to defer filing an injunction with the Superior Court pending further information.

ITEMS FOR BOARD REVIEW, DISCUSSION AND LEGAL ACTION

Termination of Decision & Orders (By Consent)

File Nos. 2004.061 and 2005.027; Tassainer, Garin A.

A motion was made by Marianne E. DeVries, seconded by Debbi Fitzgerald and passed to terminate the Consent Orders and close the files.

Update on status of investigative file and review draft complaint and notice of hearing

File No. 2006.062; Kistler, Thomas

A motion was made by Donald R. Bays, seconded by Marianne E. DeVries and passed to proceed to file a Complaint and Notice of Hearing and include the registrant's firms.

Issues from and regarding the National Association of State Boards of Accountancy (NASBA)

CBT Security Fees

A motion was made by James E. May, seconded by Donald R. Bays and passed to send a letter to David Costello, NASBA, President, and include a sentence stating that Board Members Samuel L. Fogleman, CPA and Debbi Fitzgerald, CPA would like to meet with him in Colorado Springs to discuss the CBT Security Fees.

Application for Certification by Examination, Deferral/Denial by Certification Committee - A.R.S. § 32-721

Russ Alexander Levine

Russ Alexander Levine was present.

Donald R. Bays reviewed the file. A motion was made by Donald R. Bays, seconded by Marianne E. DeVries and passed to approve his application for certification by examination.

Danielle Elena Knowles

Samuel L. Fogleman reviewed the file. A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to deny the registrant's request for application for certification by examination because she did not meet the education requirements and to appoint Valerie M. Elliott, Executive Director, or Jim Dubé, Deputy Director as a designated representative of the Board to conduct a informal settlement conference, if requested, with limited authority to settle.

Request for a CPE Waiver and/or Fee Waiver – A.R.S. § 32-730(C) & (D)

Richard Alan Fisher 1414-E

Judith Michaele Harder 5464-E

Martin D. Light 13011-R

Gerald Yamashita 2901-E

A motion was made by Marianne E. DeVries, seconded by Patrick J. Ramirez and passed to grant the requests for CPE and Fee Waivers.

Request for a CPE Extension

Micheline S. Dominguez 12161-E

A motion was made by Donald R. Bays, seconded by Marianne E. DeVries and passed to grant six months extension of time to complete the CPE requirements and to deny the request to carry over any CPE credits from her 2005 to 2007 registration renewal.

Request for inactive status – ARS 32-730:

Elmarie Onofrio 12680-E

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to grant her request for inactive status.

Application for Uniform CPA Examination, Denial by Certification Committee -

A.R.S. § 32-723

Wayne Alan Tanner

A motion was made by Debbi Fitzgerald, seconded by Patrick J. Ramirez and passed to remand the file back to the Certification Committee to request a course description.

Recommendation of Law Review Advisory Committee

A motion was made by Marianne E. DeVries to accept the recommendation from the Law Review Advisory Committee. Motion died for lack of a second to the motion.

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to remand the changes to A.A.C. R4-1-455 of the rulemaking packet back to the Law Review Advisory Committee for amended language.

Recommendation of Tax Practice Committee

R. Gregory Blake 1750-E

A motion was made by Marianne E. DeVries, seconded by Donald R. Bays and passed to accept the Tax Practice Committee's recommendation to approve the appointment of R. Gregory Blake to a five year term on the Tax Practice Committee.

Recommendation of Certification Advisory Committee

Laura Belval 11061-E

Darlene Richardson 6029-E

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to accept the Certification Advisory Committee's recommendation to approve the appointment of Laura Belval and Darlene Richardson to a five year term on the Certification Advisory Committee.

Firm Compliance - R4-1-454

Kruse Mennillo LLP 2476-B

A motion was made by Marianne E. DeVries, seconded by James E. May and passed to offer a Decision and Order (By Consent) to include up to one year probation until completion of a firm peer review.

Issues from and regarding the American Institute of Certified Public Accountants (AICPA)

AICPA Exposure Draft on Peer Review Standards

A motion was made by Donald R. Bays, seconded by Marianne E. DeVries and passed to send a letter to the AICPA regarding the Board's concerns with the AICPA Exposure draft.

Investigative Guidelines

The Board discussed having the guidelines on the annual meeting agenda.

Board Elections

Elections of Officers

A motion was made by Earl R. Shivers, seconded by Samuel L. Fogleman and passed to elect Marianne E. DeVries as Board President.

A motion was made by Earl R. Shivers, seconded by Samuel L. Fogleman and passed to elect Patrick J. Ramirez as Board Treasurer.

A motion was made by Earl R. Shivers, seconded by Samuel L. Fogleman and passed to elect James E. May as Board Secretary.

Resolution

A motion was made by Earl R. Shivers, seconded by Marianne E. DeVries and passed to approve the resolution.

Signature Authorization

A motion was made by Marianne E. DeVries, seconded by James E. May and passed to approve the signature authorization for fiscal year 2008.

CONSENT AGENDA

(The Board may pull any of the following items off the consent agenda to take individual action.) Board discussion and legal action on the following items:

Due to conflicts Ms. Fitzgerald requested DKAdvisors Irvine LLP and Splaver & Splaver CPA PLC be pulled from the consent agenda and voted on separately.

Due to conflicts, Mr. Fogleman requested Tina Hotop – Missouri be pulled from the consent agenda and voted on separately.

A motion was made by Donald R. Bays, and seconded by James E. May and passed to accept the following consent agenda:

- a. Recommended for Registration of Professional Corporation for the following Applicants - (Meets the requirements of A.R.S. § 32-734):
Henry P. Vincent CPA PC
Partners: Henry P. Vincent 4848-E
- b. Recommended for Registration of LLC/PLLC/LLP's for the following Applicants (Meet the requirements of A.R.S. § 32-735):
Allan Bobbe CPA PLLC
Partner: Allan Bobbe 10865-R

Arizona Tax and Advisors PLLC
Partner: Christel Covert 3607-E

Expert Tax & Accounting Services LLC
Partner: Marla De La Torre 14478-E

Meridian Consulting PLC
Partner: Lisa Snyder 11391-E

Prosper Strategic Finance LLC
Partners: Kelly K. Damron 10395-E
David M. Damran 10906-E

CPA Express PLLC
Partner: Terry E. Lystra 11960-R

Roberta A. Brown CPA LLC
Partner: Roberta A. Brown 5101-E

Badowski & White, CPA's LLC
Partners: Dean S. White 9638-E
Reginald R. Badowski 2267-E

ProVision Holdings PLC
Partners: Thomas M. Wheelwright 6570-R
Ann K. Mathis 10837-E

Bejarano PLLC
Partner: Michelle Bejarano 13950-E

Accounting Professionals LLC
Partners: Nitin Gupta 14293-R
Alan Hoffmann 6792-R

c. Recommended for Firm Name Change:

D. M. Benjamin CPA PC
Benjamin & Koeller Ltd 34-C
Partner: Donna Benjamin 2344-E

O'Malley CPA's PC
O'Malley & Associates CPA's PC 2368-C
Partners: Michael P. O'Malley 6874-R
Jennifer K. Berberich 11532-E

Harlan Schneider CPA PC
Harlan Schneider & Associates, CPA 319-P
Partner: Harlan Schneider 2895-E

Victor H. Arida
Victor H. Arida & Co PA's 397-A
Partner: Victor H. Arida 90083-W

Schneider & Haney CPA's PC
Stacy A. Schneider CPA PC 1144-C
Partners: Stacy A. Schneider 4598-E
Martha D. Haney 3754-E

d. Request for Firm Cancellation – Do not wish to renew:

CPA Solutions LLC 2372-C Segal Miller McClain Ltd 332-C

Michael Harris CPA PC 2282-C Covering the Basics LLC 2420-L

Dougherty & Gill PC 2225-C

e. Recommended for Cancellation of Certificate per registrant's request not to renew:

Robert D. Kahn 9434-R
Dennis Sherrard Anderson 919-E

f. Recommended for Reissuance of Certificate because of Name Change:

Nicole E. Watts (Ford) 13266-E
Lynette B. Thompson (Walbom) 13207-E
Mauricio B. Leano (John M. Leano) 11277-E
Catherine A. Claunch (McBride) 9643-R

- g. Recommended for Reactivation of Certificate from Inactive Status - A.R.S. §32-730(E):
Celeste M. Furey 8521-R
Camree Belknap 11298-E
- h. Recommendation of the Certification Committee for approval of Certification by Examination - A.R.S. §32-721:
- | | |
|----------------------|---------------------|
| Nannette F. Adame | Andrew B. Bigler |
| Scott M. Billsby | Andrew P. Buchholz |
| Theresa M. Esparza | John Adam Jay |
| Christopher Jensen | Richard G. Jennings |
| Sarah N. Linman | Pamela D. Mullins |
| Tanner Wade Schuttee | Deborah Singer |
| Tracey M. Smith | Jenifer M. Vellucci |
- i. Recommendation of the Certification Committee for approval of Certification by Reciprocity - A.R.S. §32-724:
- | | |
|--------------------------------|----------------------------------|
| Jennifer L. Coony – California | Ethan Jacobs – California |
| John T. Skewes – California | Heather K. Sterling – California |
| Lawrence H. Wolfe - Florida | |
- j. Recommendation of the Certification Committee for approval of Certification by Reciprocity based on Substantial Equivalency - A.R.S. § 32-726(B):
- | | |
|--------------------------------------|---------------------------------|
| Charles J. Caikoski – Pennsylvania | Cindy J. Burke – Missouri |
| David Glen Gephart – Oregon | Dennis J. Hoogeveen – Wisconsin |
| Brandon R. Loeschner – Missouri | David W. Jensen – North Dakota |
| Cecilia Schott Medai – Louisiana | Raelynn D. Mackenzie – Michigan |
| Joyce E. Miller – Pennsylvania | Salvatore Miletì – Ohio |
| Claytus J. Plaisance III – Louisiana | Molly E. Montgomery – Virginia |
| Jessica English Reese – Louisiana | Wendy A. Redford – Utah |
| Martin Weisner – Nevada | Terri Ann Westley - Oklahoma |
- k. Recommendation of the Certification Committee for approval of Certification by Grade Transfer - A.R.S. § 32-723:
- | | |
|--------------------------------|------------------------------|
| Corrine R. Werner – California | Andrew T. Weeks - California |
|--------------------------------|------------------------------|
- l. Recommendation of the Certification Committee for approval of Examination Candidates for the Uniform CPA Exam - A.R.S. § 32-723:
- | | | |
|----------------------------|-----------------------------|-------------------------|
| Kimberly Sarah Barrash | Brian Christopher Barwick | Dustin G. Beeker |
| Wesley Ryan Benally | Alfred Botha | April Lynn Brady |
| Kelly Lynn Brooks | Elwin Allen Browning | Mark Anthony Hellenthal |
| Earl Ray Hopper | Tyler Grant Johansen | Travis T. Jones |
| Sheila Khayami | Linda B. Larsen | Megan M. Mandel |
| Michael Timothy Ray Martin | Dennis Verne Maschke | Eric W. Mason |
| Patrick James Meier | Deborah Celeste Michalowski | Blake Hunter Phillip |
| Shenta Pietrzak | Vive Consuela Ravia Poole | Muzammil S. Quadri |
| Faisal Rais | Jeffrey Scott Renn | Shannon Marie Smith |

OPEN SESSION

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Shari-Ann Manlapas Tautho Janet L. Tolar
Alexander Scott Yuspeh

Sujinan Wangwiwadth

- m. Recommendation of the Peer Review Oversight Advisory Committee for approval of the following firms in compliance with A.A.C. R4-1-454:

Ballard, Roger T., PLLC 2828-L	Crawford & Mancini, PC 529-C
Eaton & Cecil, PLLC 611-C	Egghart & Associates 2670-P
Goetz, Sheila 5603-S	Jansen & Defoor, CPAs, PLLC 2647-L
Kennedy & Ehrler, CPA 195-P	Lee, Brian R., CPA, PC 2036-C
Metz & Associates, PC 2388-C	Millar, Glenn R., CPA, PC 233-C
Regier, Carr & Monroe, LLP 294-P	Shippen & Associates, PC 2038-C

CONSENT AGENDA

A motion was made by Donald R. Bays, seconded by Samuel L. Fogleman and passed to approve the following consent agenda items:

- 17-b Recommended for Registration of LLC/PLLC/LLP's for the following Applicants
(Meet the requirements of A.R.S. § 32-735):

DKAdvisors Irvine LLP
Partners: Thomas M. Wheelwright 6570-R
Ann K. Mathis 10837-E

- 17-c Recommended for Firm Name Change:

Splaver & Splaver CPA PLC
Eric J. Splaver CPA PLC 2408-L
Partners: Eric J. Splaver 6112-E
Jennifer Splaver 6810-E

Debbi Fitzgerald declared conflicts and did not vote.

- 17-j Recommendation of the Certification Committee for approval of Certification by Reciprocity based on Substantial Equivalency - A.R.S. § 32-726(B):

Tina Hotop – Missouri

Samuel L. Fogleman declared a conflict and did not vote.

EXECUTIVE SESSION

A motion was made by Marianne E. DeVries, seconded by James E. May and passed to go into Executive Session at 10:50 a.m. to seek legal advice and review confidential material pursuant to A.R.S. § 38-431.03(A)(2)(3) and (4).

After consideration in Executive Session, the Board reconvened in Open Session at 11:44 a.m.

PERSONNEL ISSUE

Executive Director Review

A motion was by Marianne E. DeVries, seconded by James E. May and passed to defer action until the next Board meeting.

SUMMARY OF CURRENT EVENTS

Donald R. Bays, CPA thanked the Board and staff for the opportunity to serve on the Board.

DISCUSSION OF ITEMS TO BE PLACED ON FUTURE MEETING AGENDA

None.

ADJOURNMENT

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to adjourn at 11:49 a.m.

Earl R. Shivers, CPA, President

Marianne E. DeVries, CPA, Treasurer

Patrick J. Ramirez, Secretary

Donald R. Bays, CPA, Member

Debbi Fitzgerald, CPA, Member

Samuel L. Fogleman, CPA, Member

James E. May, Member